

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

12 November 2012

**Joint Report of the Director of Health and Housing and Cabinet Member for
Housing**

Part 1- Public

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken
by the Cabinet Member)**

1 TENANCY STRATEGY

Summary

The Localism Act 2011 has allowed housing associations and local authorities greater flexibility in the types of tenancies they can offer and the rents that can be charged. The Act also places a responsibility on each local authority to publish a Tenancy Strategy to which housing associations must have regard in implementing these changes. The Paper seeks Member's views on the Council's draft Tenancy Strategy, which will then go to consultation with local partners.

1.1 Introduction

- 1.1.1 Members will recall from previous Papers to this Board the recent changes to the provision of social and affordable housing. Primarily this involves the introduction of two new aspects; affordable rent and fixed term tenancies.
- 1.1.2 Affordable rent is a new tenure that can charge households up to 80 per cent of the local market rent, but is otherwise broadly the same as the tenure of social rent that has historically been provided by housing associations.
- 1.1.3 Whereas lifetime tenancies have always been granted to renting social housing tenants, providers of social and affordable housing are now able to offer fixed term assured shorthold tenancies, for a minimum period of two years or more.

1.2 The Requirement For A Tenancy Strategy

- 1.2.1 From April 2012 each Registered Provider (housing association) had a regulatory requirement to publish a "Tenancy Policy". This document had to describe the organisation's approach to tenancy management, setting out the kinds of tenancies they grant. The Tenancy Policy would detail the circumstances in which they will grant a tenancy of a particular kind, the length(s) of the term(s), and the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.

- 1.2.2 The Localism Act 2011 S150 states that every local housing authority in England must prepare and publish a “Tenancy Strategy” setting out the matters to which the Registered Providers of social housing for its district are to have regard in formulating their Tenancy Policies. In summary a Tenancy Strategy is guidance to Registered Providers with stock in the borough about the use of affordable rent, fixed term tenancies, and about working in partnership to manage the impact of their introduction. There is a statutory requirement for every local authority to publish their strategy by 15 January 2013.
- 1.2.3 The Council’s Tenancy Strategy must have regard to our Homelessness Strategy, Allocations Policy, and the Housing Strategy. It is important due regard is also made to the Equality Act 2010. To be robust the draft Tenancy Strategy must also go through consultation (before adoption) that includes the Council’s Registered Provider Partners considering the document and being given reasonable opportunity to comment. The Government’s expectation is that the final Tenancy Strategy is reviewed every five years.

1.3 The Approach to a Tonbridge & Malling Tenancy Strategy

- 1.3.1 Officers from Tonbridge & Malling have led on work performed through the Kent Housing Group (KHG) in formulating a Kent Tenancy Strategy Framework. A county approach was undertaken with Member’s consent due to the obvious value in creating Tenancy Strategies with as much common ground as possible. Otherwise the clear potential existed for thirteen widely different Tenancy Strategies within Kent alone for housing associations to try to acknowledge, interpret, and comply to.
- 1.3.2 Although all decisions are ultimately for local authorities and Registered Providers to take, KHG believed there was value to be gained from providing a Kent framework, and that it made sense to bring together members of the Group and other partners to understand and plan for inter-related and complex changes in policy. The Kent Housing Group Framework is not suggesting there is a ‘one size fits all’ approach, but it provides a base from which individual Tenancy Strategies (like ours) can be developed.
- 1.3.3 The draft Tonbridge & Malling Tenancy Strategy is based upon the KHG Framework but is driven by our local ambitions and local intelligence about the local housing market, need and demand.

1.4 Strategic Concerns

- 1.4.1 The Council’s Tenancy Strategy presents the factors that we think are important to consider in making decisions about tenancy length and the new affordable rent tenure. It considers a preferred minimum length of fixed term tenancies,(five years in most instances), having considered the strengths and weaknesses from a range of perspectives and for different household types.

- 1.4.2 We believe that the housing needs of the borough can best be met through a mixed economy of tenures, including both social rent and affordable rent. The ability to offer fixed term tenancies is understood to be a useful tool for our Registered Provider Partners, but we would not wish that this in itself should create any community instability.
- 1.4.3 The Council is expecting a flexible approach from our partners, with certain households protected, such as those whose circumstances are unlikely to improve over time. For those households fortunate enough to see their circumstances improve the Council would wish that a full range of options with support and advice should be offered by the relevant partner at that time.
- 1.4.4 It is important to note that the Tenancy Strategy is guidance that our Registered Provider Partners must have “regard to”. It does not list preferences to which they must adhere. However, the emerging draft Strategy is the product of work throughout this year with each partner and relevant stakeholder, as well as being discussed at the ongoing meetings of the Council’s Housing Association Liaison Panel.

1.5 Next Steps

- 1.5.1 If endorsed by the Board the draft Tenancy Strategy will be consulted upon with key partners and stake holders for a period of six weeks.
- 1.5.2 Upon the conclusion of the consultation the draft Tenancy Strategy will be updated and a fresh equality impact assessment carried out accordingly.
- 1.5.3 A final Tenancy Strategy will be presented to Members at the February meeting of this Board, along with a Report detailing the outcomes of the reviewed equality impact assessment. This will describe any possible differential impacts identified against persons with protected characteristics.

1.6 Legal Implications

- 1.6.1 The Localism Act 2011 S150 states that every local housing authority in England must prepare and publish a “Tenancy Strategy” setting out the matters to which the registered providers of social housing for its district are to have regard in formulating Tenancy Policies.

1.7 Financial and Value for Money Considerations

- 1.7.1 None.

1.8 Risk Assessment

- 1.8.1 Without a robust adopted Tenancy Strategy the Council will be unable to guide our Register Provider Partners in how to interpret and implement affordable rent and fixed term tenancies, and thus threaten our ability to meet our strategic aspirations and address housing need.

1.9 Equality Impact Assessment

1.9.1 See 'Screening for equality impacts' table at end of report

1.10 Policy Considerations

1.10.1 A Tenancy Strategy must have regard to our Homelessness Strategy, Allocations Policy, and the Housing Strategy. It is important due regard is also made to the Equality Act 2010.

1.11 Recommendations

1.11.1 **CABINET** is **RECOMMENDED** to:

1.11.2 **ENDORSE** the draft Tenancy Strategy for the purposes of consultation and the time scales proposed for finalising the document.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Chris Knowles

Nil

John Batty
Director of Health and Housing

Councillor Jill Anderson
Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	[No]	The draft Tenancy Strategy seeks to minimise any adverse impacts and balance new housing regulations in addressing the housing needs of various groups such as those on low incomes, or older persons. Feedback from the consultation will be analysed to identify any potential impacts and the equality impact assessment will be reviewed to address these as appropriate

Screening for equality impacts:		
Question	Answer	Explanation of impacts
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	[Yes]	The reason to have a Tenancy Strategy is to ensure that new housing regulations fit to the strategic requirements of the borough, whilst minimising possible negative impacts to differing groups within the community. The proposed tenancy strategy includes steps that may have a positive impact on some people (see below).
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		<p>The draft Tenancy Strategy suggests several steps to ensure people receive appropriate tenancies. For example the Strategy seeks to ensure an inappropriate tenancy is not supplied to an older person, such as a fixed term 5 year tenancy to someone who is undertaking a move of property likely to be their last. In this instance the Council's draft Tenancy Strategy suggests that older persons are given lifetime tenancies.</p> <p>Also the Strategy requires that short term tenancies are not supplied to adapted properties, and suggests that longer fixed term tenancies are in place for those with disabilities living in an adapted home.</p> <p>The draft Strategy strives to mitigate negative impacts on low income households or households with children of school age through ensuring the most appropriate tenancy is chosen to fit that household's particular circumstances.</p>

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.